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**CAJUN AREA AGENCY ON AGING, INC.  
LAFAYETTE, LOUISIANA**

**AUDIT REPORT OF ALL FUNDS  
YEAR ENDED  
JUNE 30, 2004**

**ROLAND D. KRAUSHAAR  
CERTIFIED PUBLIC ACCOUNTANT**

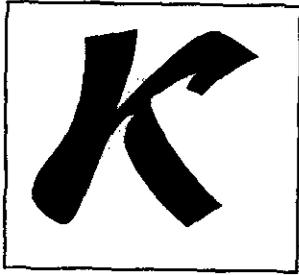
**ALEXANDRIA, LOUISIANA**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-12-05

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**Roland D. Kraushaar**  
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November 15, 2004

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana

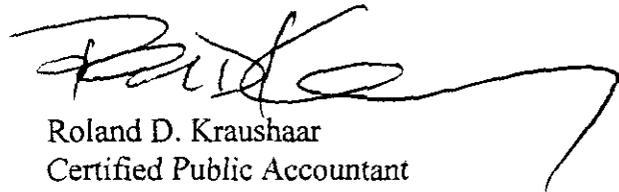
I have audited the accompanying general purpose financial statements of the Cajun Area Agency on Aging, Inc., for the year ended June 30, 2004, as listed in the foregoing table of contents. *These general purpose financial statements are the responsibility of the Agency's management.* My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the *general purpose financial statements*. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Cajun Area Agency on Aging, Inc., as of June 30, 2004, and the results of operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued a report dated November 15, 2004, on my consideration of Cajun Area Agency on Aging, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organization", and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.



Roland D. Kraushaar  
Certified Public Accountant

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004 and 2003

	<u>GOVERNMENTAL</u>		<u>ACCOUNT GROUP</u>		<u>TOTALS</u>	
	<u>FUND TYPES</u>		<u>GENERAL</u>	<u>GENERAL</u>	<u>(MEMORANDUM ONLY)</u>	
	<u>GENERAL</u>	<u>SPECIAL</u>	<u>FIXED</u>	<u>LONG-TERM</u>	<u>2004</u>	<u>2003</u>
		<u>REVENUE</u>	<u>ASSETS</u>	<u>DEBT</u>		
<u>ASSETS AND OTHER DEBITS</u>						
<u>ASSETS</u>						
Cash	\$980,330	\$ -	\$ -	\$ -	\$ 980,330	\$ 947,800
Accounts receivable	59,608	-	-	-	59,608	35,122
Prepaid expenses	15,530	-	-	-	15,530	11,593
Interfund receivables	-	681,583	-	-	681,583	600,815
Fixed assets	-	-	705,344	-	705,344	417,334
<u>OTHER DEBITS</u>						
Amount to be provided for Retirement of general Long-term debt	-	-	-	10,807	10,807	9,601
Total assets and Other debits	<u>\$1,055,468</u>	<u>\$681,583</u>	<u>\$705,344</u>	<u>\$10,807</u>	<u>\$2,453,202</u>	<u>\$2,022,265</u>
<u>LIABILITIES, FUND EQUITY AND OTHER CREDITS</u>						
<u>LIABILITIES</u>						
Accounts payable	\$308,091	\$ -	\$ -	\$ -	\$ 308,091	\$ 161,690
Deferred revenue	-	-	-	-	-	5,296
Interfund payables	681,583	-	-	-	681,583	600,815
Accumulated compensated absences	-	-	-	10,807	10,807	9,601
Notes payable - building	-	-	-	-	-	-
Total liabilities	<u>\$989,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$10,807</u>	<u>\$ 1,000,481</u>	<u>\$ 777,402</u>
<u>FUND EQUITY AND OTHER CREDITS</u>						
<u>FUND EQUITY</u>						
Fund Balance						
Reserved	\$ -	\$681,583	\$ -	\$ -	\$ 681,583	\$ 600,815
Unreserved	65,794	-	-	-	65,794	226,714
Total fund balances	<u>\$65,794</u>	<u>\$681,583</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 747,377</u>	<u>\$ 827,529</u>
<u>OTHER CREDITS</u>						
Investments in general fixed assets	-	-	705,344	-	705,344	417,334
Total fund equity and Other credits	<u>\$65,794</u>	<u>\$681,583</u>	<u>\$705,344</u>	<u>\$ -</u>	<u>\$1,452,721</u>	<u>\$1,244,863</u>
Total liabilities, fund equity & other credits	<u>\$1,055,468</u>	<u>\$681,583</u>	<u>\$705,344</u>	<u>\$10,807</u>	<u>\$2,453,202</u>	<u>\$2,022,265</u>

The accompanying notes are an integral part of this statement.

COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 2004 and 2003

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTALS (MEMORANDUM ONLY)</u>	
			<u>2004</u>	<u>2003</u>
<u>REVENUE</u>				
Intergovernmental	\$ -	\$3,618,458	\$3,618,458	\$3,839,780
Miscellaneous	<u>91,640</u>	<u>138,436</u>	<u>230,076</u>	<u>191,105</u>
Total revenue	<u>\$91,640</u>	<u>\$3,756,894</u>	<u>\$3,848,534</u>	<u>\$4,030,885</u>
<u>EXPENDITURES</u>				
<u>CURRENT</u>				
Salaries	\$ -	\$ 180,313	\$ 180,313	\$ 154,481
Fringe Benefits	-	47,530	47,530	37,626
Travel	-	13,922	13,922	18,151
Operating services	2,002	199,035	201,037	107,251
Operating supplies	-	63,973	63,973	32,942
Other costs	892	7,650	8,542	13,774
CAPITAL OUTLAY	248,110	39,901	288,011	14,482
MEALS -Raw food	-	702,542	702,542	686,520
-Non-edibles	-	804,033	804,033	813,226
SUB-RECIPIENTS	<u>-</u>	<u>1,605,107</u>	<u>1,605,107</u>	<u>2,049,801</u>
Total expenditures	<u>\$251,004</u>	<u>\$3,664,006</u>	<u>\$3,915,010</u>	<u>\$3,928,254</u>
<u>EXCESS (DEFICIENCY) OF</u>				
<u>REVENUE OVER EXPENDITURES</u>	<u>\$(159,364)</u>	<u>\$ 92,888</u>	<u>\$(66,476)</u>	<u>\$ 102,631</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	\$ -	\$ 408,516	\$ 408,516	\$ 501,768
Operating transfers out	(1,556)	(406,960)	(408,516)	(501,768)
Loan proceeds	-	-	-	-
Debit Service - Interest	-	-	-	(781)
- Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125,945)</u>
Total other sources (uses)	<u>\$ (1,556)</u>	<u>\$ 1,556</u>	<u>\$ -</u>	<u>\$ (126,726)</u>
<u>EXCESS (DEFICIENCY) OF REVENUE</u>				
<u>AND OTHER SOURCES OVER</u>				
<u>EXPENDITURES AND OTHER USES</u>	<u>\$(160,920)</u>	<u>\$ 94,444</u>	<u>\$(66,476)</u>	<u>\$(24,095)</u>
<u>FUND BALANCE</u>				
Beginning of year	\$ 226,714	\$ 600,815	\$ 827,529	\$ 851,622
Fund Balance Adjustment	<u>-</u>	<u>(13,676)</u>	<u>(13,676)</u>	<u>-</u>
End of year	<u>\$ 65,794</u>	<u>\$ 681,583</u>	<u>\$ 747,377</u>	<u>\$ 827,527</u>

The accompanying notes are an integral part of this statement.

**COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES**

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 2004

	<u>GENERAL FUND</u>			<u>SPECIAL REVENUE FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUE</u>						
Intergovernmental	\$ -	\$ -	\$ -	\$3,663,440	\$3,618,458	\$(44,982)
Miscellaneous	<u>91,640</u>	<u>91,640</u>	<u>-</u>	<u>138,416</u>	<u>138,436</u>	<u>20</u>
Total Revenue	<u>\$ 91,640</u>	<u>\$ 91,640</u>	<u>\$ -</u>	<u>\$3,801,856</u>	<u>\$3,756,894</u>	<u>\$(44,962)</u>
<u>EXPENDITURES</u>						
<u>CURRENT</u>						
Salaries	\$ -	\$ -	\$ -	\$ 179,257	\$ 180,313	\$ (1,056)
Fringe Benefits	-	-	-	47,817	47,530	287
Travel	-	-	-	13,800	13,922	(122)
Operating services	3,559	2,002	1,557	201,828	199,035	2,793
Operating Supplies	-	-	-	52,918	63,973	(11,055)
Other Costs	-	892	(892)	8,150	7,650	500
CAPITAL OUTLAY	188,024	248,111	(60,086)	37,348	39,901	(2,553)
MEALS-Raw food	-	-	-	-	702,542	(702,542)
-Non-edibles	-	-	-	1,518,382	804,033	714,349
SUB-RECIPIENTS	-	-	-	<u>1,674,162</u>	<u>1,605,107</u>	<u>69,055</u>
Total expenditures	<u>\$191,583</u>	<u>\$251,004</u>	<u>\$(59,421)</u>	<u>\$3,733,662</u>	<u>\$3,664,006</u>	<u>\$ 69,656</u>
<u>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</u>	<u>\$(99,943)</u>	<u>\$(159,364)</u>	<u>\$(59,421)</u>	<u>\$ 68,194</u>	<u>\$ 92,888</u>	<u>\$ 24,694</u>
<u>OTHER FINANCING SOURCES (USES)</u>						
Operating transfers in	\$ -	\$ -	\$ -	\$ 420,182	\$ 408,516	\$ (11,666)
Operating transfers out	(1,557)	(1,556)	1	(480,112)	(406,960)	73,152
Loan proceeds	-	-	-	-	-	-
Debt service - Interest	-	-	-	-	-	-
- Principal	-	-	-	-	-	-
Total other sources (uses)	<u>\$(1,557)</u>	<u>\$(1,556)</u>	<u>\$ 1</u>	<u>\$(59,930)</u>	<u>\$ 1,556</u>	<u>\$ 61,486</u>
<u>EXCESS (DEFICIENCY) OF REVENUE AND OTHER SOURCES OVER EXPENDI- TURES AND OTHER (USES)</u>	<u>\$(101,500)</u>	<u>\$(160,920)</u>	<u>\$(59,420)</u>	<u>\$ 8,264</u>	<u>\$ 94,444</u>	<u>\$ 86,180</u>
<u>FUND BALANCE</u>						
Beginning of year	\$226,714	\$226,714	\$ -	\$ 600,815	\$ 600,815	\$ -
Fund Balance Adjustment	-	-	-	-	(13,676)	(13,676)
End of year	<u>\$125,214</u>	<u>\$ 65,794</u>	<u>\$(59,420)</u>	<u>\$ 609,079</u>	<u>\$ 681,583</u>	<u>\$ 72,504</u>

The accompanying notes are an integral part of this statement.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity:

In 1974, Gubernatorial Executive Order No. 54 initially established area agencies on aging. Gubernatorial Executive Order No. 80-16 of 1989 authorized the Governor's Office of Elderly Affairs to designate planning and service areas to coincide with the geographic boundaries of the 64 parishes of the state, and to designate area agencies therein. An area agency must be an organization whose single purpose is to administer programs for older persons, or a multipurpose agency with the authority and capacity to administer human services in the planning and service area. If it is a multipurpose agency, the Area Agency on Aging, Inc. must designate all its authority and responsibility for carrying out the responsibilities listed below to a single organizational unit in the agency unless the agency receives a waiver of this requirement from the Governor's Office of Elderly Affairs.

The purpose and function of the Cajun Area Agency on Aging, Inc., is to develop a comprehensive and coordinated service delivery system for the elderly and serve as the advocate and focal point for older persons by entering into agreements with the Governor's Office of Elderly Affairs and with providers of supportive and nutrition services. "Comprehensive and coordinated system" refers to a program of interrelated supportive and nutrition services designed to meet the needs of older persons in each planning and service area. This system is to be developed by the Agency over a period of time. The Cajun Area Agency on Aging, Inc. performs these functions throughout an eight parish area of South Louisiana.

#### B. Presentation of Statements:

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally *accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities*. In November of 1984,

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have also incorporated any applicable requirements set forth by Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI - Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors; and the Louisiana Governmental Audit Guide.

### C. Fund Accounting:

The accounts of the Agency are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two generic fund types and two broad fund categories (account groups).

The governmental funds and programs comprising them as presented in the financial statements are as follows:

General Fund - The General Fund is the general operating fund of the Agency. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes.

The following are the funds which comprise the Agency's Special Revenue Funds:

### Title III-C Area Agency Administration Fund

The Title III-C Area Agency Administration Fund is used to account for the administration of special programs for the aging.

### Title III-B Ombudsman Fund

The Ombudsman Fund is used to account for funds used to provide people age 60 and older residing in long-term care facilities a representative to ensure that such residents' rights are upheld, to resolve complaints by residents with the management of the long-term care facility, and to promote quality care at the facility.

### Title III C-1 Fund

Title III C-1 fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

### Title III C-2 Fund

Title III C-2 fund is used to account for funds which are used to provide nutritional home delivered meals to home-bound older persons.

### Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as information and assistance, access services, in-home services, community services, legal assistance, and outreach for people age 60 and older.

### Provider Fund

The Provider Fund is used to account for additional meals provided that are not included in either the C-1 or C-2 programs.

### Title III-E Caregiver Fund

The Title III-E Caregiver Fund is used to account for funds which are used to provide in-home services to frail, older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

### Project Care Fund

The Project Care Fund is used to account for the administration of a program that is sponsored by Gulf States Utilities. Gulf States Utilities collects contributions from service customers and remits these funds to the Agency. The Agency in turn "passes through" these funds to the individual councils on aging.

### Audit Fund

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Agency's financial statements.

### USDA Fund

The USDA Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Agency. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

### Senior Rx Fund

The Senior Rx program helps link eligible seniors with assistance for obtaining their prescription medications.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

### Resource Center Fund

The Resource Center provides one-stop access to all public programs for community and institutional long-term support.

### Title III-D Preventive Health Fund

The Title III-D Fund is used to account for funds used for disease prevention and health promotion activities including (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically under-served and in which there are a large number of older individuals who have the greatest economic and social need.

### D. Account Groups:

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following account groups are not "funds".

### General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of the Cajun Area Agency on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the appropriate Governmental Fund type when purchased.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

### General Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. The General Long-Term Debt Account Group shows only the measurement of financial position and is not involved with measurement of results of operations.

#### E. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally *included on the balance sheet*. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

#### F. Transfers and Interfund Loans:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due from and due to accounts. Short-term interfund loans are classified as interfund receivables or payables.

## **NOTES TO FINANCIAL STATEMENTS**

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

### **G. Budget Policy:**

The Agency follows these procedures in establishing the budgetary data reflected in these financial statements.

1. The Governor's Office of Elderly Affairs (GOEA) notifies the Agency each year as to the funding levels for each program's grant award.
2. The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.
3. The Board of Directors reviews and adopts the budget before June 30 of the current year for the next year.
4. The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.
5. All budgetary appropriations lapse at the end of each fiscal year (June 30).
6. The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
7. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.
8. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
9. The Agency may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under grants from this state agency.
10. Expenditures cannot legally exceed appropriations on an individual fund level.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

H. Comparative Data:

Comparative data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Agency's financial position and operations. However, presentation of comparative data by fund type have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Total columns on the combined financial statements are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

I. Fixed Assets, Including Property Leased Under Capital Leases:

Assets which cost at least \$ 1,000 and which have an estimated useful life of greater than one year are capitalized as fixed assets. All fixed assets are stated at historical cost, if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost. No depreciation has been provided on general fixed assets.

The Agency has classified its fixed assets as follows:

	Balance <u>6/30/04</u>
Furniture and Equipment	\$ 101,163
Building	<u>604,181</u>
Total	<u>\$705,344</u>

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.

Lafayette, Louisiana

June 30, 2004

(Continued)

J. Compensated Absences:

For governmental fund types, the Agency's liability for accumulated unpaid vacation has been recorded in the general long-term debt group of accounts. The liability has been determined using the number of vested vacation hours for each employee multiplied by the employee's current wage rate at the end of the year. An amount is added to this total for social security and Medicare taxes. Accrued vacation benefits will be paid from future years' resources and will be recorded as fund expenditures in the various governmental funds in the year in which they are paid or become due on demand to terminated employees. The Agency's sick leave policy does not provide for the vesting of sick leave where payment would have to be made to a terminated employee for any unused portion.

K. Related Party Transactions:

There were not any related party transactions during the fiscal year.

L. Restricted Assets:

Restricted assets represent assets which have been primarily acquired through donations whereby the donor has placed a restriction on how the donation can be used by the Agency (i.e., utility assistance funds). Restricted assets are offset by a corresponding reservation of the Agency's fund balance.

M. Reservation and Designations of Fund Balances:

The Agency "reserves" portions of its fund balance that are not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets which make them only available to meet future obligations.

Designated allocations of fund balances result when the Agency's management intends to expend certain resources in a designated manner.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

N. Prepaid Expenses:

The Agency has elected not to expense amounts paid for future services until those services are consumed to comply with the cost reimbursement terms of its grant agreements. The fund balances in the governmental fund types have been reserved for any prepaid expenses recorded in these funds to reflect the amount of fund balance not currently available for expenditure. At year end, there were \$ 15,530 in prepaid expenses in the General Fund.

O. Management's Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE 2. REVENUE RECOGNITION - INTERGOVERNMENTAL, PROGRAM SERVICE FEES, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES

Intergovernmental

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is, measurable and available (modified accrual basis). Intergovernmental grants do not allow the Agency to recognize revenue under the grant award until actual costs are incurred or units of service are provided.

Program Service Fees

Program service fees are recognized when the Agency provides the service that entitles the Agency to charge the recipient for the services received.

**NOTES TO FINANCIAL STATEMENTS**

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

**Public Support and Miscellaneous Revenues**

The Agency encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, C-2 and D programs. Utility assistance funds are provided from public donations via utility company programs. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and senior activities. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

**NOTE 3. CASH IN BANK**

At June 30, 2004, the carrying amount of the Agency's deposits was as follows:

Payroll	\$ 500
Operating - checking	408,730
Money market savings	<u>570,900</u>
Cash on deposit in banks	<u>\$980,130</u>

At June 30, 2004, the collected deposits held at the bank totaled \$1,141,151. Of that amount, \$1,041,151 is classified as credit risk Category 3. The bank has pledged additional collateral in the name of the Agency for the amount over the FDIC limit and these securities are held at the Federal Reserve Bank. However, it is the opinion of the Governmental Accounting Standards Board (GASB) that if the agreement between the Bank and the Agency is not in writing and approved by the Bank's Board of Directors, then the government may not be in compliance with the Financial Institution's Reform, Recovery and Enforcement Act of 1989 which discusses the depositor's rights to collateral. GASB states that the collateral described above should be classified as Category 3. This is the case with Cajun Area Agency. The following are descriptions of the three risk categories:

**NOTES TO FINANCIAL STATEMENTS**

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

- (1) Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- (2) Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- (3) Category 3 - Uncollateralized, including securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name or those types of securities as described above.

**NOTE 4. ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2004, consists of the following special revenue programs.

	<u>Funding Agency</u>	<u>Amount</u>
Audit	Various Councils	\$ 576
Title IIID	Various Councils	324
Local	Misc.	14,923
Title III-E	Various Councils	744
Provider	Various Councils	10,273
Title III C-2	Various Councils	176
Title III C-1	Various Councils	<u>32,592</u>
		<u>\$59,608</u>

**NOTE 5. CHANGES IN GENERAL FIXED ASSETS**

The following is a summary of changes in general fixed assets.

	<u>Balance</u> <u>06/30/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/04</u>
Furniture & Equipment	\$ 61,263	\$ 39,900	\$ -	\$101,163
Construction-In-Progress	<u>356,071</u>	<u>248,110</u>	<u>-</u>	<u>604,181</u>
Total General Fixed Assets	<u>\$417,334</u>	<u>\$288,010</u>	<u>\$ -</u>	<u>\$705,344</u>

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

**NOTE 6. BOARD OF DIRECTORS' COMPENSATION**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for travel expenses incurred in accordance with the Agency's travel policies.

**NOTE 7. INCOME TAX STATUS**

The Agency, a non-profit corporation, is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code.

**NOTE 8. CHANGES IN LONG-TERM DEBT**

The following is a summary of transactions relating to the Agency's long-term debt during the fiscal year.

	<u>Balance</u> <u>06/30/03</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>06/30/04</u>
Accumulated unpaid vacation	\$ 9,601	\$ 1,206	\$ -	\$ 10,807
Note payable - building	-	-	-	-
Total	<u>\$ 9,601</u>	<u>\$ 1,206</u>	<u>\$125,728</u>	<u>\$ 10,807</u>

**NOTE 9. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES**

There is no litigation pending against the Agency at June 30, 2004. Furthermore, the Agency's management believes that any potential lawsuits would be adequately covered by insurance.

The Agency receives revenue from various Federal and State grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies.

## **NOTES TO FINANCIAL STATEMENTS**

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the grantor and the Agency. Also, it is management's opinion that any audits by the grantor agencies would not produce *disallowed program costs and liabilities to such an extent that they would materially affect the Agency's financial position.*

### NOTE 10. **FEDERALLY ASSISTED PROGRAMS**

The Agency participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act Amendments of 1996. Audits of prior years have not resulted in any disallowed costs; however, *grantor agencies may provide for further examinations.* Based on prior experience, the Agency's management believes that further examinations would not result in any significant disallowed costs.

### NOTE 11. **ECONOMIC DEPENDENCY**

The Agency receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Agency receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Agency will receive in the next fiscal year.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 2004  
(Continued)

### NOTE 12. INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for 2004:

#### Funds Transferred Out

<u>Funds Transferred In</u>	<u>USDA</u>	<u>General Fund</u>	<u>Provider</u>	<u>Total In</u>
Senior Rx Fund	\$ -	\$ 56	\$ -	\$ 56
Title III C Admin	-	1,001	-	1,001
Title III C-2	337,756	-	59,986	397,742
III B Ombudsman	-	500	-	500
III C-1	<u>9,218</u>	<u>-</u>	<u>-</u>	<u>9,218</u>
Total Our	<u>\$346,974</u>	<u>\$1,557</u>	<u>\$59,986</u>	<u>\$408,517</u>

### NOTE 13. PENSION PLAN

The Agency provides a Simplified Employee Pension Individual Retirement Account for each of its qualified employees. During the fiscal year ended June 30, 2004, the Agency contributed 5% of covered wages to the plan at a cost of \$7,297. All employees are eligible to participate.

The agency is under no obligation for future contributions.

**COMBINING STATEMENT OF PROGRAM REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

**SPECIAL REVENUE FUNDS**

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 2004

	<u>TITLE III-B SUPPORTIVE SERVICES</u>	<u>TITLE III-B OMBUDSMAN</u>	<u>AREA AGENCY ADMIN</u>	<u>TITLE III C-1</u>	<u>TITLE III C-2</u>
<b><u>REVENUES</u></b>					
Intergovernmental:					
Governor's Office of					
Elderly Affairs	\$743,466	\$108,752	\$254,795	\$460,495	\$1,181,770
Public Support:					
Contracted Services	-	-	-	-	-
General Public	-	-	20	-	-
Total revenue	<u>\$743,466</u>	<u>\$108,752</u>	<u>\$254,815</u>	<u>\$460,495</u>	<u>\$1,181,770</u>
<b><u>EXPENDITURES</u></b>					
<b>CURRENT</b>					
Administration Salaries	\$ -	\$ 45,391	\$105,954	\$ -	\$ -
Fringe Benefits	-	10,712	25,161	-	-
Travel	-	4,834	5,462	-	-
Operating services	-	24,895	58,450	-	-
Operating supplies	-	13,545	35,914	-	-
Other costs	-	-	7,650	-	-
<b>CAPITAL OUTLAY</b>	-	<u>4,621</u>	<u>17,225</u>	-	-
Total Administration And Capital Outlay Expenditures	<u>\$ -</u>	<u>\$103,998</u>	<u>\$255,816</u>	<u>\$ -</u>	<u>\$ -</u>
<b>MEALS-Raw food</b>	\$ -	\$ -	\$ -	\$142,615	\$ 559,927
-Non-edibles	-	-	-	<u>135,161</u>	<u>668,872</u>
Total Meal Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$277,776</u>	<u>\$1,228,799</u>
<b>GRANTS TO SUB-RECIPIENTS</b>					
Acadia COA	\$ 85,931	\$ -	\$ -	\$ 22,729	74,036
Evangeline COA	83,252	-	-	29,335	40,463
Iberia COA	71,008	-	-	18,106	71,234
Lafayette COA	129,596	-	-	31,764	26,126
St. Landry COA	96,526	-	-	17,432	22,787
St. Martin COA	68,353	-	-	16,749	47,065
St. Mary COA	64,253	5,254	-	28,864	45,600
Vermillion COA	110,658	-	-	26,958	23,401
Others	<u>33,889</u>	-	-	-	-
Total Payments To Sub-Recipients	<u>\$743,466</u>	<u>\$ 5,254</u>	<u>\$ -</u>	<u>\$191,937</u>	<u>\$ 350,712</u>
<b><u>TOTAL EXPENDITURES</u></b>	<u>\$743,466</u>	<u>\$109,252</u>	<u>\$255,816</u>	<u>\$469,713</u>	<u>\$1,579,511</u>

<u>CAREGIVER SERVICES</u>	<u>PROVIDER</u>	<u>PROJECT CARE</u>	<u>AUDIT</u>	<u>USDA</u>	<u>SENIOR RX</u>	<u>RESOURCE CENTER</u>	<u>TITLE III-D</u>	<u>TOTAL</u>
\$233,838	\$ -	\$ -	\$15,876	\$ 426,325	\$95,775	\$55,772	\$41,594	\$3,618,458
-	59,986	-	38,124	-	-	-	-	98,110
-	-	<u>38,306</u>	-	-	<u>2,000</u>	-	-	<u>40,326</u>
<u>\$233,838</u>	<u>\$59,986</u>	<u>\$38,306</u>	<u>\$54,000</u>	<u>\$ 426,325</u>	<u>\$97,775</u>	<u>\$55,772</u>	<u>\$41,594</u>	<u>\$3,756,894</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$28,064	\$ 904	\$ -	\$ 180,313
-	-	-	-	-	7,765	3,892	-	47,530
-	-	-	-	-	2,417	1,209	-	13,922
-	-	-	54,000	-	39,784	21,906	-	199,035
-	-	-	-	-	14,514	-	-	63,973
-	-	-	-	-	-	-	-	7,650
-	-	-	-	-	<u>5,287</u>	<u>12,768</u>	-	<u>39,901</u>
\$ -	\$ -	\$ -	<u>\$54,000</u>	\$ -	<u>\$97,831</u>	<u>\$40,679</u>	\$ -	<u>\$ 552,324</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 702,542
-	-	-	-	-	-	-	-	<u>804,033</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,506,575</u>
\$ 1,855	\$ -	\$ 6,282	\$ -	\$ -	\$ -	\$ -	\$ 4,833	\$ 195,666
9,898	-	-	-	-	-	-	4,012	166,960
34,143	-	4,827	-	-	-	-	4,480	203,798
10,262	-	10,496	-	-	-	-	6,851	215,095
2,827	-	8,006	-	-	-	-	7,717	155,295
31,164	-	3,179	-	-	-	-	3,877	170,387
31,609	-	-	-	-	-	-	3,967	179,547
22,607	-	5,516	-	-	-	-	5,857	194,997
<u>89,473</u>	-	-	-	-	-	-	-	<u>123,362</u>
<u>\$233,838</u>	<u>\$ -</u>	<u>\$38,306</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$41,594</u>	<u>\$1,605,107</u>
<u>\$233,838</u>	<u>\$ -</u>	<u>\$38,306</u>	<u>\$54,000</u>	<u>\$ -</u>	<u>\$97,831</u>	<u>\$40,679</u>	<u>\$41,594</u>	<u>\$3,664,006</u>

COMBINING STATEMENT OF PROGRAM REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCES

SPECIAL REVENUE FUNDS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 2004

	<u>TITLE III-B SUPPORTIVE SERVICES</u>	<u>TITLE III-B OMBUDSMAN</u>	<u>AREA AGENCY ADMIN</u>	<u>TITLE III C-1</u>	<u>TITLE III C-2</u>
<u>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</u>	\$ -	\$ (500)	\$ (1,001)	\$ (9,218)	\$ (397,741)
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	\$ -	\$ 500	\$ 1,001	\$ 9,218	\$ 397,741
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other sources (uses)	\$ -	\$ 500	\$ 1,001	\$ 9,218	\$ 397,741
<u>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	\$ -	\$ -	\$ -	\$ -	\$ -
<u>FUND BALANCES</u>					
Beginning of year	-	-	-	-	-
Fund Balance Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ -	\$ -	\$ -	\$ -	\$ -
	*****	*****	*****	*****	*****

<u>CAREGIVER SERVICES</u>	<u>PROVIDER</u>	<u>PROJECT CARE</u>	<u>AUDIT</u>	<u>USDA</u>	<u>SENIOR RX</u>	<u>RESOURCE CENTER</u>	<u>TITLE III-D</u>	<u>TOTAL</u>
\$ -	\$ 59,986	\$ -	\$ -	\$ 426,325	\$ (56)	\$ 15,093	\$ -	\$ 92,888
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56	\$ -	\$ -	\$ 408,516
<u>-</u>	<u>(59,986)</u>	<u>-</u>	<u>-</u>	<u>(346,974)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(406,960)</u>
\$ -	\$ (59,986)	\$ -	\$ -	\$ (346,974)	\$ 56	\$ -	\$ -	\$ 1,556
\$ -	\$ -	\$ -	\$ -	\$ 79,351	\$ -	\$ 15,093	\$ -	\$ 94,444
\$ -	\$ 13,676	\$ -	\$ -	\$ 587,139	\$ -	\$ -	\$ -	\$ 600,815
<u>-</u>	<u>(13,676)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13,676)</u>
\$ -	\$ -	\$ -	\$ -	\$ 666,490	\$ -	\$ 15,093	\$ -	\$ 681,583
*****	*****	*****	*****	*****	*****	*****	*****	*****

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 2004

	<u>BUDGETED</u> <u>EXPENDITURES</u>	<u>ACTUAL</u> <u>EXPENDITURES</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>GENERAL FUND</u>			
Operating services	3,559	2,002	1,557
Other costs	-	892	(892)
Capital Outlay	188,024	248,110	(60,086)
Transfer-Ombudsman	500	500	-
-AAA	1,001	1,001	-
Senior RX	<u>56</u>	<u>56</u>	<u>-</u>
Total	\$ 193,140	\$ 252,561	\$ 59,421
	*****	*****	*****
<u>TITLE III-C ADMINISTRATION</u>			
Salaries	\$ 105,218	\$ 105,954	\$ (736)
Fringe	25,265	25,161	104
Travel	5,400	5,462	(62)
Operating services	64,950	58,450	6,500
Operating supplies	29,692	35,914	(6,222)
Other costs	8,150	7,650	500
Capital outlay	<u>16,121</u>	<u>17,225</u>	<u>(1,104)</u>
Total	\$ 254,796	\$ 255,816	\$ (1,020)
	*****	*****	*****
<u>TITLE III-B OMBUDSMAN</u>			
Salaries	\$ 45,055	\$ 45,391	\$ (336)
Fringe	10,768	10,712	56
Travel	4,800	4,834	(34)
Operating services	27,374	24,895	2,479
Operating supplies	11,175	13,545	(2,370)
Sub-recipients	5,254	5,254	-
Capital Outlay	<u>4,326</u>	<u>4,621</u>	<u>(295)</u>
Total	\$ 108,752	\$ 109,252	\$ (500)
	*****	*****	*****
<u>TITLE III C-1</u>			
Meal costs-raw food	\$ 290,004	\$ 142,615	\$ 147,389
Meal costs-non-edibles	-	135,161	(135,161)
Sub-recipients	<u>193,287</u>	<u>191,937</u>	<u>1,350</u>
Total	\$ 483,291	\$ 469,713	\$ 13,578
	*****	*****	*****
<u>TITLE III C-2</u>			
Meal costs-raw food	\$1,228,388	\$ 559,927	\$668,461
Meal costs-non-edibles	-	668,872	(668,872)
Sub-recipients	<u>350,712</u>	<u>350,712</u>	<u>-</u>
Total	\$1,579,100	\$1,579,511	\$ (411)
	*****	*****	*****
<u>TITLE III-B SUPPORTIVE SERVICES</u>			
Sub-recipients	\$ 752,831	\$ 743,466	\$ 9,365
Total	\$ 752,831	\$ 743,466	\$ 9,365
	*****	*****	*****

SCHEDULE 2 (Continued)

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 2004

	<u>BUDGETED</u> <u>EXPENDITURES</u>	<u>ACTUAL</u> <u>EXPENDITURES</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>PROJECT CARE</u>			
Sub-recipients	\$ 38,306	\$ 38,306	\$ -
	*****	*****	*****
<u>AUDIT ALLOTMENT</u>			
Operating services	\$ 54,000	\$ 54,000	\$ -
	*****	*****	*****
<u>USDA</u>			
Transfers to Title III C-1	\$ 22,796	\$ 9,218	\$ 13,578
Transfers to Title III C-2	<u>397,330</u>	<u>337,756</u>	<u>59,574</u>
Total	\$ 420,126	\$ 346,974	\$ 73,152
	*****	*****	*****
<u>TITLE III D - PREVENTIVE HEALTH</u>			
Sub-Recipients	\$ 41,594	\$ 41,594	\$ -
	*****	*****	*****
<u>PROVIDER FUND</u>			
Other Costs	\$ -	\$ -	\$ -
Transfer to III C-2	<u>59,986</u>	<u>59,986</u>	<u>-</u>
Total	\$ 59,986	\$ 59,986	\$ -
	*****	*****	*****
<u>CAREGIVER SERVICES</u>			
Sub-Recipients	\$ 292,178	\$ 233,838	\$ 58,340
	*****	*****	*****
<u>SENIOR RX</u>			
Salaries	\$ 28,064	\$ 28,064	\$ -
Fringes	7,798	7,765	33
Travel	2,400	2,417	(17)
Operating Services	40,513	39,784	729
Operating Supplies	12,051	14,514	(2,463)
Capital Outlay	<u>4,950</u>	<u>5,287</u>	<u>(337)</u>
	\$ 95,776	\$ 97,831	\$ (2,055)
	*****	*****	*****
<u>RESOURCE CENTER</u>			
Salaries	\$ 920	\$ 904	\$ 16
Fringes	3,986	3,892	94
Travel	1,200	1,209	(9)
Operating Services	14,991	21,906	(6,915)
Capital Outlay	<u>11,951</u>	<u>12,768</u>	<u>(817)</u>
	\$ 33,048	\$ 40,679	\$ (7,631)
	*****	*****	*****

PAYMENTS TO BOARD MEMBERS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 2004

All payments to the following board members were for travel expenses and were based on actual mileage:

Winnie Broussard	\$ 250
Verna Fontenot	16
Verna Guillory	84
Lynda Haynes	22
Dudley Hebert	164
Clarence Kemper	416
Shirley Schexnider	238
Roland Shinn	384
Lee Perry Roy	17
Felton Breaux	38
Dot Miller	42
Phillip Zernott	<u>164</u>
Total	\$1,835 =====

**SCHEDULE OF PRIORITY SERVICES**  
**TITLE III, PART B - GRANT FOR SUPPORTIVE SERVICES**

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 2004

		% GOEA	
Access (30%)	Assisted Transportation	\$ 0	GRANT
	Case Management	0	
	Transportation	544,525	
	Information & Assistance	146,002	
	Outreach	24,404	
	Total Access Expenses	<u>\$714,931</u>	<u>105.48%</u>
In-Home (15%)	Homemaker	\$392,873	
	Chore	0	
	Telephoning/Visiting	47,305	
	Adult/Daycare/Health	0	
	Personal Care	0	
	Total In-Home Expenses	<u>\$ 440,178</u>	<u>64.94%</u>
Legal (5%)	Legal Assistance	<u>\$ 33,889</u>	<u>5.00%</u>
Non Priority Services		<u>\$ 2,224</u>	
Total III B-Supportive Service Expenditures		\$1,191,222	
Less:	Participant Contributions	(\$ 86,848)	
	Public Support	(\$ 148,335)	
	Transfers In	(\$ 212,573)	
Unspent Revenue Returned - Vermilion COA		<u>9,365</u>	
III B SUPPORTIVE SERVICES GRANT		\$ 752,831	
Less:	State Homemaker	(\$ 96,663)	
	State Transportation	(\$ 18,397)	
Transfer Out to Title III C-2		<u>\$ 40,000</u>	
Original Grant Amount		<u><u>\$ 677,771</u></u>	

**COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS**  
**AND CHANGES IN GENERAL FIXED ASSETS**

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 2004

	<u>6/30/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>6/30/04</u>
GENERAL FIXED ASSETS				
Furniture	\$ 61,263	\$ 39,900	\$ -	\$101,163
Building	<u>356,071</u>	<u>248,110</u>	<u>-</u>	<u>604,181</u>
Totals	<u>\$417,334</u>	<u>\$288,010</u>	<u>\$ -</u>	<u>\$705,344</u>
INVESTMENT IN GENERAL "FIXED ASSETS" PROPERTY ACQUIRED WITH FUNDS FROM				
Local	\$338,616	\$248,110	\$ -	\$586,726
Area Agency Administration	78,718	17,225	-	95,943
Resource Center	-	12,768	-	12,768
Ombudsman	-	4,620	-	4,620
Senior Rx	<u>-</u>	<u>5,287</u>	<u>-</u>	<u>5,287</u>
Totals	<u>\$417,334</u>	<u>\$288,010</u>	<u>\$ -</u>	<u>\$705,344</u>

STATEMENT OF FINDINGS AND QUESTIONED COSTS

Cajun Area Agency on Aging, Inc.  
 Lafayette, Louisiana  
 Year Ended June 30, 2004

SECTION I - SUMMARY OF AUDITOR'S REPORTS

Financial Statements:

Type of Auditor's Report Issued	Unqualified
Internal Control Over Financial Reporting:	
Material Weakness Identified	No
Reportable Conditions Identified Not Considered to be Material Weaknesses	None Reported
Non-Compliance Material to Financial Statements Noted	No

Federal Awards:

Internal Control Over Major Programs:	
Material Weakness Identified	No
Reportable Conditions Identified Not Considered to be Material Weaknesses	None Reported

Type of Auditor's Report Issued on Compliance for Major Programs	Unqualified
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Any Audit Findings Disclosed that are Required to be Reported in Accordance With Circular A-133, Section .510(a)	No
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Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
93.044	Title III, Part B Supportive Services
93.045	Title III, Part C Nutrition Services
10.570	Nutrition Services For the Elderly

Dollar Threshold to Distinguish Between Type A and Type B Programs	\$300,000
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Auditee Qualified as Low-Risk Auditee?	Yes
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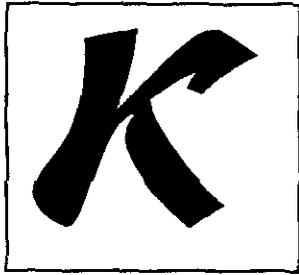
SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**SINGLE AUDIT SECTION**



**Roland D. Kraushaar**  
Certified Public Accountant

1406 Texas Avenue      Alexandria, LA 71301  
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November 15, 2004

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana

I have audited the general purpose financial statements of the Cajun Area Agency on Aging, Inc., as of and for the year ended June 30, 2004, and have issued my report thereon dated November 15, 2004. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

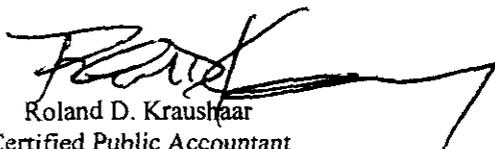
Compliance

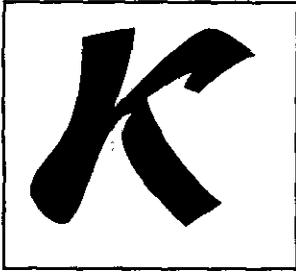
As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Agency's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the *internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.* I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

  
Roland D. Kraushaar  
Certified Public Accountant



**Roland D. Kraushaar**  
Certified Public Accountant

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November 15, 2004

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors  
Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana

I have audited the compliance of the Cajun Area Agency on Aging, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2004. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying *schedule of findings and questioned costs*. Compliance with the requirements of laws, regulation, contracts and grants applicable to each of its major federal programs is the responsibility of the Agency's management. My responsibility is to express an opinion on the Cajun Area Agency on Aging, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Cajun Area Agency on Aging, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Cajun Area Agency on Aging, Inc.'s compliance with those requirements.

In my opinion, the Cajun Area Agency on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

**Internal Control Over Compliance**

The management of the Cajun Area Agency on Aging, Inc. is responsible for establishing and maintaining effective *internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs*. In planning and performing my audit, I considered the Agency's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

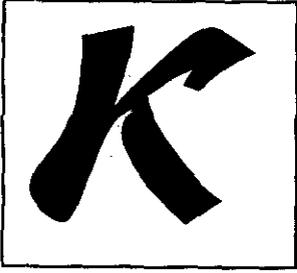
My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being

audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



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Certified Public Accountant



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November 15, 2004

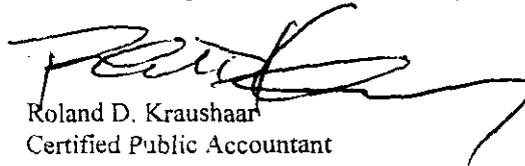
**INDEPENDENT AUDITOR'S REPORT ON**  
**SCHEDULE OF FEDERAL AWARDS**

Board of Directors  
Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana

I have audited the general purpose financial statements of the Cajun Area Agency on Aging, Inc., as of and for the year ended June 30, 2004, and have issued my report thereon dated November 15, 2004. These general purpose financial statements are the responsibility of the Agency's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Cajun Area Agency on Aging, Inc., taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

  
Roland D. Kraushaar  
Certified Public Accountant

**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 2004

<u>FEDERAL GRANTOR/PASS THROUGH GRANTORS/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>REVENUE RECOGNIZED</u>	<u>EXPENDITURES</u>
<u>Department of Health &amp; Human Services</u>				
Passed through Louisiana Governor's Office of Elderly Affairs				
Special Programs for the Elderly:				
Title III-B Grant For Supportive Services & Senior Centers	93.044	\$ 546,823	\$ 540,021	\$ 540,021
Title III-B (Ombudsman)	93.044	<u>73,553</u>	<u>73,553</u>	<u>73,553</u>
Subtotal - CFDA # 93.044		<u>\$ 620,376</u>	<u>\$ 613,574</u>	<u>\$ 613,574</u>
Title III Part C-Area Agency Admin.	93.045	191,096	191,096	191,096
Title III Part C-1 Nutrition Congregate Meals	93.045	460,495	460,495	460,495
Title III Part C-2 Nutrition Home Delivered Meals	93.045	<u>469,686</u>	<u>469,686</u>	<u>469,686</u>
Subtotal - CFDA # 93.045		<u>1,121,277</u>	<u>1,121,277</u>	<u>1,121,277</u>
Title III Part D Preventive Health	93.991	<u>41,594</u>	<u>41,594</u>	<u>41,594</u>
Title III Part E Caregiver	93.043	<u>234,007</u>	<u>181,431</u>	<u>181,431</u>
Resource Center		<u>148,724</u>	<u>55,772</u>	<u>40,695</u>
Senior Rx		<u>95,775</u>	<u>95,775</u>	<u>95,775</u>
Totals for U.S. Department Of Health & Human Services		<u>\$2,261,753</u>	<u>\$2,109,423</u>	<u>\$2,094,346</u>
<u>Department of Agriculture</u>				
Passed Through the Governor's Office Of Elderly Affairs				
Nutrition Programs For the Elderly	10.570	<u>437,277</u>	<u>426,325</u>	<u>346,974</u>
Total Federal Grants		<u>\$2,699,030</u>	<u>\$2,535,748</u>	<u>\$2,441,320</u>